

[7th March, 2001]

RAJYA SABHA

Deen Dayal Hathkargha Protsahan Yojna

**1306. DR. (SMT.) JOYASREE GOSWAMI MAHANTA:
DR. ARUN KUMAR SARMA:**

Will the Minister of TEXTILES be pleased to state:

(a) the aims and objectives of the Deen Dayal Hathkargha Protsahan Yojna and state-wise number of project sanctioned so far;

(b) the number of proposals pending for sanction from each state and likely time for its clearance; and

(c) the advantage derived from this programme over Janata Cloth and Project Package Scheme?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI V. DHANANJAY KUMAR): (a) The Scheme namely Deen Dayal Hathkargha Protsahan Yojna has been introduced with the aims and objectives to take care of a wide gamut of activities such as product development, infrastructure support, institutional support, training to weavers, supply of equipments and marketing support etc. both at macro and micro level, in an integrated and coordinated manner for an overall development of the sector and benefit to handloom weavers. So far 04 projects have been sanctioned under the Scheme to Gujarat and Madhya Pradesh States.

(b) 21 Number of proposals have been received from the states of Manipur, Uttar Pradesh, Meghalaya and Chhattisgarh and are under consideration on merit of each Project as recommended by respective State Governments.

(c) The advantage from the Scheme can only be assessed on completion of projects and the extent of benefits that reach to the weavers. However, the Scheme envisages to cater to the needs of weavers by providing working capital, basic inputs, increase in productivity, marketing incentives etc.

Effect of Excise Duty Structure on Medium Scale Process Houses

1307. SHRI SWARAJ KAUSHAL: Will the Minister of TEXTILES be pleased to state:

(a) whether his Ministry had represented to the Finance Ministry against the Excise Duty structure on medium scale process houses in the country; and

(b) what is the impact of the present excise and import policies on the medium scale process houses in the country in the years 1999-2000 and till date?

**THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES
(SHRI V. DHANANJAYA KUMAR):** (a) Yes Sir.

(b) During the period 1999-2000 and 2000-01, the independent process houses including medium scale process houses attracted compounded rate of excise duty on stenter/chamber basis. Under the scheme during the year 1999-2000, processing units whose average value of processed fabric was upto Rs. 30/- sq. mtr., the excise duty payable was Rs. 1.50 lakh per chamber per month. In case of average value of processed fabric exceeding Rs. 30/- sq. mtr., the excise duty payable was Rs. 2.00 lakh per chamber per month. During the year 2000-01 these rates were revised upwards to Rs. 2 lakhs and Rs. 2.5 lakh per chamber per month respectively. The impact of duty depended on the type, quantity and the value of the fabrics processed by the independent medium scale process house. In the current budget 2001-02, the stenter/chamber based duty has been withdrawn and advalorem rate of duty of 16% [BED 8% + AED(ST)] has been imposed with facility for deemed Cenvat credit @ 25% and 45% of aggregate duty in respect of cotton fabrics and other fabrics respectively. The advalorem rate of duty is same as applicable on process houses of composite mills.

As regards impact of import policy, most of the critical processing machinery are covered under specified 159 textile machinery which were attracting concessional rate of basic import duty of 15% during the year 1999-2000 and 2000-01 as against normal applicable rate of import duty of 25%. In the current budget 2001-02, the concessional rate of import duty has been reduced to 5%. The grey and processed fabric can be imported on payment of applicable rate of import duty.

Pucca Work-Shed-Cum-Pucca-Houses for Handloom Weavers

1308. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of TEXTILES be pleased to state:

- (a) what are Government's state-wise schemes for allotting pucca Work-shed cum pucca-houses for handloom weavers as work sites as well as houses for the worker; and
- (b) the number of such houses and sheds allotted during the last five years, State-wise and future plan therefor?

**THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES
(SHRI V. DHANANJAY KUMAR):** (a) The Government of India is implementing the Workshed-cum-Housing Scheme to provide suitable workplace and dwelling units for handloom weavers in the country.